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IAC-M-161
3 August 1954

INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting Held in Director's
Conference Room, Administration Building
Central Intelligence Agency, at 1045 3 August 1954

Director of Central Intelligence
Allen W. Dulles
* Presiding

Deputy Director of Central Intelligence
Lt. Gen. Charles P. Cabell
*Presiding

MEMBERS PRESENT

**Mr. Fisher Howe, acting for Special Assistant for Intelligence,
Department of State
**Major General John M. Willems, acting for Assistant Chief of Staff,
G-2, Department of the Army
**Rear Admiral Carl F. Espe, Director of Naval Intelligence,
Department of the Navy
**Major General John A. Samford, Director of Intelligence, Headquarters,
United States Air Force
**Rear Admiral Edwin T. Layton, acting for Deputy Director for Intel-
ligence, The Joint Staff
**Dr. Charles H. Reichardt, Atomic Energy Commission
Representative to the IAC
**Mr. Ralph R. Roach, acting for Assistant to the Director,
Federal Bureau of Investigation

* Part of Meeting.
** Attended Executive Session

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ALSO PRESENT

25X1 Mr. Robert Amory, Central Intelligence Agency
 [redacted] Central Intelligence Agency
 Dr. Otto E. Guthe, Central Intelligence Agency
 Mr. Huntington D. Sheldon, Central Intelligence Agency
 [redacted] Central Intelligence Agency
 Mr. Jack W. Lydman, Department of State
 Mr. William C. Trueheart, Department of State
 Mr. Clinton E. Knox, Department of State
 Lt. Colonel A. W. White, Department of the Army
 Lt. Colonel Vasco J. Fenili, Department of the Army
 Captain B. E. Wiggin, Department of the Navy
 Captain E. C. Renfro, United States Air Force
 Major Thomas B. Johnson, United States Air Force
 Mr. Samuel S. Rockwell, United States Air Force
 Mr. John A. Power, United States Air Force
 Colonel William S. Boyd, United States Air Force
 Colonel R. H. Wade, The Joint Staff
 Colonel L. E. Leary, USA, The Joint Staff
 Colonel F. B. James, The Joint Staff
 Colonel Robert Totten, USAF, The Joint Staff
 Captain Ray. E. Malpass, USN, The Joint Staff

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Approval of Minutes
(IAC-M-160, 20 July 1954)

1. Action: Approved

Transmittal of Information to
National Indications Center for
Watch Committee
(DCI Memorandum to NSC, circulated
to IAC 23 July; IAC-M-150, para. 3)

2. Mr. Dulles requested comments on his memorandum to the NSC for use in the NSC meeting on Thursday, 5 August. Admiral Espe presented, on behalf of the military services, suggested changes to paragraphs 3a and 3b. These changes, with minor modifications, were accepted.

The FBI representative dissented from the phrasing of paragraph 3b, which provides for making information fully available to the Watch Committee "without restriction because of source, policy, or operational sensitivity". The dissent was based on the fact that the phrasing did not allow discretionary authority to withhold or delay information in exceptional cases where source protection might be of overriding importance. Mr. Dulles stated that he would advise the NSC of the FBI dissent.

After a detailed discussion of the FBI objections, the following paragraph (3c) was added to the memorandum:

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"When, in the opinion of an agency or department, overriding considerations affecting the national security exist which justify an exception to a. or b. above, the decision as to withholding or delaying the transmission of the information to the Watch Committee shall be referred to the President."

It was not indicated whether the addition of this paragraph would fully meet the FBI objections.

Mr. Dulles stated that a revised version of the memorandum, containing the changes in paragraphs 3a and 3b and the new paragraph 3c, would be circulated to the members before the NSC meeting. (This was done 4 August; see attached Suggested NSC Action for 5 August meeting.)

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Annual Status Report for the
NSC on the Foreign Intelligence
Program
(IAC-D-55/7)

4. Action was deferred and Mr. Dulles said that an extension of the deadline would be arranged with the NSC.

Proposed DCID-15/1
Production of Economic Intelligence
(IAC-D-22/3, 28 June 1954)

5. Referred to the EIC for study and recommendations, the EIC report to be submitted to the IAC within one month.

EXECUTIVE SESSION

6. At 1310 the Chairman requested that the members remain for a brief executive session.

[Redacted]
Secretary

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Secretary's Note

Terms of Reference for
Probable Warning of Soviet
Attack on the US as of Mid-1957
(SNIE 11-8-54)

This item was not considered by the IAC at the 3 August meeting. However, in view of the fact that the IAC representatives agreed to the terms of reference on 23 July, and since work on the contributions is progressing satisfactorily, this item will not again be placed on the agenda of the IAC unless requested by a member.

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ANNEX to
IAC-M-161

SUGGESTED NSC ACTION, Item 3
5 August 1954

Transmittal of Information and Recommendation for
Further Action Concerning Warning Facilities of the
Intelligence Community

1. Noted the establishment, by Director of Central Intelligence
Directive 1/2, of the Watch Committee of the Intelligence Advisory
Committee with the following mission:

To provide earliest possible warning to the United
States government of hostile action by the USSR, or its
allies, which endanger the security of the United States.

2. Directed all appropriate departments and agencies of the
government:

a. To make fully available to the IAC Watch Committee all
information and intelligence pertinent to its mission and functions
(as defined in DCID 1/2), without restriction because of source,
policy or operational sensitivity.*

* Last phrase objected to by FBI

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b. To keep the IAC Watch Committee informed concerning diplomatic, political, military, or other courses of action by the U.S., approved for immediate implementation or in process of execution, which (in the judgment of those departments and agencies)** might bring about military reaction or early hostile action by the USSR, or its allies, thus endangering the security of the U.S. This information is for the explicit and express use of the Watch Committee and those members of the NIC who need to know of it in order to perform their functions.

c. When, in the opinion of an agency or department, overriding considerations affecting the national security exist which justify an exception to a. or b. above, the decision as to withholding or delaying the transmission of the information to the Watch Committee shall be referred to the President.

** Suggested addition by Defense agencies

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